

Enterprise Funds

Enterprise Funds account for the following: (1) state operations that are financed and operated in a manner similar to private business enterprises where the state's intent is that the cost of providing goods and/or services to the general public on a continuing basis be financed or recovered primarily through user charges; or (2) state operations where a periodic determination of revenues earned, expenses incurred, and/or net income is appropriate for capital maintenance, public policy, management control, accountability, or other purposes. A brief description of each Enterprise Fund follows:

The Liquor Fund is used to account for the administration and operation of state liquor stores, warehouses, and the distribution of net proceeds.

The Workers' Compensation Fund is used to account for the workers' compensation program which provides medical, time-loss, and disability benefit payments to qualifying individuals sustaining work-related injuries.

The Convention and Trade Fund is used to account for the acquisition, design, construction, promotion, and operation of the State Convention and Trade Center.

The Lottery Fund is used to account for lottery ticket revenues, administrative and operating expenses of the Lottery Commission, and the distribution of revenue.

The Institutional Fund accounts for the enterprise activities (industries) carried out through vocational/education programs at the correctional institutions.

The State Ferry Fund was used to account for all revenue and payment of all operating costs of the state ferry system. Effective July 1, 2000, this activity was transferred to the Motor Vehicle Fund.

The Student Services Fund is used by colleges and universities principally for bookstore, cafeteria, parking, student housing, food service, and hospital business enterprise activities.

The Other Activities Fund accounts for the following: (1) the advanced college tuition payment program, (2) the operation of computer systems for legislative information, (3) the production and sale of statute law publications and official reports, and (4) Judicial Information System users.

Combining Balance Sheet

Enterprise Funds

June 30, 2001 (expressed in thousands)

	Liquor	Workers' Compensation	Convention and Trade	Lottery	Institutional
Assets					
Current Assets:					
Cash and pooled investments	\$ 4,832	\$ 14,799	\$ 19,496	\$ 19,806	\$ 13,164
Investments	-	-	-	67,558	-
Taxes receivable (net of allowance)	4,276	-	-	-	-
Other receivables (net of allowance)	5,819	451,474	13,320	16,017	119
Due from other funds	7,937	1,978	614	7,550	4,027
Due from other governments	46	970	-	-	511
Inventories	27,777	178	-	389	7,703
Prepaid expenses	-	9	372	-	1
Total Current Assets	50,687	469,408	33,802	111,320	25,525
Other Assets:					
Investments, noncurrent	-	9,021,593	-	512,406	13
Other nonfixed assets	-	-	-	-	-
Total Other Assets	-	9,021,593	-	512,406	13
Fixed Assets:					
Land	177	3,204	18,279	-	-
Buildings	-	62,446	197,016	-	-
Other improvements and miscellaneous	134	1,800	2,257	770	1,747
Furnishings and equipment	5,052	24,426	4,315	4,057	12,260
Accumulated depreciation	(3,390)	(30,544)	(51,366)	(3,922)	(6,579)
Construction in progress	22,255	-	175,185	-	-
Total Fixed Assets	24,228	61,332	345,686	905	7,428
Total Assets	\$ 74,915	\$ 9,552,333	\$ 379,488	\$ 624,631	\$ 32,966
Liabilities and Equity					
Current Liabilities:					
Accounts payable	\$ 16,834	\$ 13,960	\$ 7	\$ 1,939	\$ 1,904
Contracts and retainages payable	2,302	2,078	1,752	-	43
Accrued liabilities	12,316	136,395	1,863	88,991	892
Obligations under security lending agreements	-	501,349	-	-	-
Matured bonds payable	-	2,425	9,880	-	-
Due to other funds	7,952	7,175	156	1,998	1,101
Due to other governments	-	-	-	-	-
Deferred revenues	592	14,120	-	-	37
Claims and judgments payable, current	-	1,317,130	-	-	-
Total Current Liabilities	39,996	1,994,632	13,658	92,928	3,977
Long-Term Liabilities:					
Claims and judgments payable, long-term	-	12,925,983	-	-	-
Bonds payable	-	48,050	129,084	-	-
Other long-term obligations	21,711	9,843	182,380	476,317	1,127
Total Long-Term Liabilities	21,711	12,983,876	311,464	476,317	1,127
Total Liabilities	61,707	14,978,508	325,122	569,245	5,104
Equity:					
Contributed capital	-	23	1,071	-	3,026
Retained earnings (deficit)	13,208	(5,426,198)	53,295	55,386	24,836
Total Equity	13,208	(5,426,175)	54,366	55,386	27,862
Total Liabilities and Equity	\$ 74,915	\$ 9,552,333	\$ 379,488	\$ 624,631	\$ 32,966

State of Washington

State Ferry	Student Services	Other Activities	Totals	
			June 30, 2001	June 30, 2000
\$ -	\$ 46,183	\$ 92,603	\$ 210,883	\$ 247,593
-	1,813	-	69,371	61,253
-	-	-	4,276	3,894
-	117,787	14,545	619,081	625,369
-	223,351	928	246,385	294,338
-	30,781	42	32,350	30,371
-	29,934	102	66,083	82,778
-	5,699	363	6,444	6,981
-	455,548	108,583	1,254,873	1,352,577
-	178,408	72,307	9,784,727	9,683,713
-	587	21,419	22,006	495
-	178,995	93,726	9,806,733	9,684,208
-	2,394	-	24,054	31,883
-	678,273	-	937,735	926,586
-	57,693	-	64,401	212,208
-	198,568	12,174	260,852	962,902
-	(407,297)	(8,359)	(511,457)	(748,922)
-	105,047	-	302,487	417,651
-	634,678	3,815	1,078,072	1,802,308
\$ -	\$ 1,269,221	\$ 206,124	\$ 12,139,678	\$ 12,839,093
\$ -	\$ 60,021	\$ 2,402	\$ 97,067	\$ 75,392
-	13,282	-	19,457	13,189
-	42,083	18,895	301,435	555,103
-	-	55	501,404	508,299
-	13,931	-	26,236	20,139
-	32,489	35,147	86,018	102,313
-	119	3,020	3,139	1,225
-	26,749	621	42,119	44,419
-	-	-	1,317,130	1,166,549
-	188,674	60,140	2,394,005	2,486,628
-	-	3,200	12,929,183	12,460,744
-	291,634	-	468,768	431,394
-	12,448	101,787	805,613	793,794
-	304,082	104,987	14,203,564	13,685,932
-	492,756	165,127	16,597,569	16,172,560
-	4,736	1,458	10,314	1,157,973
-	771,729	39,539	(4,468,205)	(4,491,440)
-	776,465	40,997	(4,457,891)	(3,333,467)
\$ -	\$ 1,269,221	\$ 206,124	\$ 12,139,678	\$ 12,839,093

Combining Statement of Revenues, Expenses, and Changes in Equity

Enterprise Funds

For the Fiscal Year Ended June 30, 2001 (expressed in thousands)

	Liquor	Workers' Compensation	Convention and Trade	Lottery	Institutional
Operating Revenues:					
Sales	\$ 347,311	\$ -	\$ -	\$ -	\$ 37,997
Less: Cost of goods sold	253,840	-	-	-	28,762
Gross profit	93,471	-	-	-	9,235
Charges for services	28	149	9,604	-	-
Earnings on investments	-	548,199	-	-	-
Insurance premiums	-	1,084,613	-	-	-
Lottery ticket proceeds	-	-	-	483,904	-
Miscellaneous revenue	934	24,207	22	2	7,425
Total Operating Revenues	94,433	1,657,168	9,626	483,906	16,660
Operating Expenses:					
Salaries and wages	29,849	93,901	4,880	5,579	8,548
Employee benefits	8,793	26,192	1,890	1,421	1,935
Personal services	97	4,160	3,712	7,155	31
Goods and services	28,208	56,765	3,365	48,958	1,053
Travel	311	2,955	20	565	225
Insurance premiums and claims	-	1,881,808	-	-	-
Lottery prize payments	-	-	-	288,509	-
Depreciation and amortization	177	1,864	4,148	235	1,208
Miscellaneous expenses	1,323	12,197	118	500	83
Total Operating Expenses	68,758	2,079,842	18,133	352,922	13,083
Operating Income (Loss)	25,675	(422,674)	(8,507)	130,984	3,577
Nonoperating Revenues (Expenses):					
Other revenues (expenses)	48,895	(9,630)	40,272	22	97
Earnings (losses) on investments	-	83,419	-	89,620	2
Interest expense	(53)	(2,883)	(7,764)	(38,557)	(17)
Distributions to other governments	(25,511)	-	-	(3,579)	-
Total Nonoperating Revenues (Expenses)	23,331	70,906	32,508	47,506	82
Income (Loss) Before Operating Transfers	49,006	(351,768)	24,001	178,490	3,659
Operating Transfers:					
Operating transfers in	78	231,571	-	22,533	2,175
Operating transfers out	(54,151)	(242,667)	(13)	(149,870)	(1,868)
Net Operating Transfers In (Out)	(54,073)	(11,096)	(13)	(127,337)	307
Net Income (Loss)	(5,067)	(362,864)	23,988	51,153	3,966
Equity:					
Equity as restated, July 1	18,275	(5,063,311)	30,378	4,233	23,896
Residual equity transfers in (out)	-	-	-	-	-
Contributions of capital	-	-	-	-	-
Return of contributed capital	-	-	-	-	-
Equity, June 30	\$ 13,208	\$ (5,426,175)	\$ 54,366	\$ 55,386	\$ 27,862

State of Washington

State Ferry	Student Services	Other Activities	Totals for the Year Ended	
			June 30, 2001	June 30, 2000
\$ -	\$ 99,392	\$ -	\$ 484,700	\$ 452,019
-	73,572	-	356,174	317,501
-	25,820	-	128,526	134,518
-	711,405	5,547	726,733	752,183
-	-	-	548,199	531,997
-	-	-	1,084,613	871,142
-	-	-	483,904	452,954
-	81,699	4,109	118,398	111,495
-	818,924	9,656	3,090,373	2,854,289
-	353,116	6,516	502,389	521,709
-	61,997	1,275	103,503	110,575
-	31,576	3,135	49,866	26,561
-	321,161	7,973	467,483	518,680
-	13,011	165	17,252	17,084
-	-	-	1,881,808	2,275,172
-	-	-	288,509	289,608
-	31,495	1,265	40,392	70,896
-	24,987	10,232	49,440	48,871
-	837,343	30,561	3,400,642	3,879,156
-	(18,419)	(20,905)	(310,269)	(1,024,867)
-	1,945	8,945	90,546	97,814
-	18,877	(104)	191,814	(88,631)
-	(16,133)	-	(65,407)	(66,690)
-	-	-	(29,090)	(27,342)
-	4,689	8,841	187,863	(84,849)
-	(13,730)	(12,064)	(122,406)	(1,109,716)
-	131,094	7,538	394,989	437,779
-	(118,079)	(1,735)	(568,383)	(513,385)
-	13,015	5,803	(173,394)	(75,606)
-	(715)	(6,261)	(295,800)	(1,185,322)
848,962	777,278	47,258	(3,313,031)	(2,218,801)
298,696	(98)	-	298,598	(326)
-	-	-	-	70,982
(1,147,658)	-	-	(1,147,658)	70,982
\$ -	\$ 776,465	\$ 40,997	\$ (4,457,891)	\$ (3,262,485)

Combining Statement of Cash Flows

Enterprise Funds

For the Fiscal Year Ended June 30, 2001 (expressed in thousands)

	Liquor	Workers' Compensation	Convention And Trade	Lottery	Institutional
Cash Flows from Operating Activities:					
Operating Income (Loss)	\$ 25,675	\$ (422,674)	\$ (8,507)	\$ 130,984	\$ 3,577
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided by Operations:					
Depreciation	177	1,864	4,148	235	1,208
Interest revenue reported as operating	-	(548,199)	-	-	-
Other revenues	3,358	-	-	7	97
Other expenses	-	(6,511)	(1,999)	-	-
Changes in Assets: Decrease (Increase)					
Receivables (net of allowance)	(5,277)	39,922	(614)	(1,560)	78
Due from other funds	12,112	(234)	1,840	9,098	1,279
Due from other governments	-	(656)	-	-	(173)
Inventories	14	52	-	1,128	(1,380)
Prepaid expenses	-	(7)	11	57	-
Other nonfixed assets	-	-	-	-	-
Changes in Liabilities: Increase (Decrease)					
Accounts payable	15,973	1,360	(408)	20	(834)
Contracts and retainages payable	(5)	(26)	777	-	1
Accrued liabilities	363	(255,861)	(531)	1,204	216
Due to other funds	(6,186)	1,619	(61)	1,329	(4)
Due to other governments	-	-	-	-	-
Deferred revenues	(71)	274	(1,619)	-	(13)
Claims and judgments payable	-	621,412	-	-	-
Other long-term obligations	(36)	135	1,353	(43,245)	78
Net Cash or Cash Equivalents Provided by (Used in) Operating Activities	46,097	(567,530)	(5,610)	99,257	4,130
Cash Flows from Noncapital Financing Activities:					
Distributions to other governments	(25,511)	-	-	(3,579)	-
Taxes and license fees collected	45,735	4	44,110	-	-
Operating transfers in	78	231,571	-	22,533	2,175
Operating transfers out	(54,151)	(242,667)	(13)	(149,870)	(1,868)
Proceeds from noncapital long-term financing	-	-	-	-	-
Payment of noncapital long-term obligations	-	-	-	-	-
Equity restatement	-	-	-	-	-
Fund equity transfers in	-	-	-	-	-
Fund equity transfers out	-	-	-	-	-
Net Cash or Cash Equivalents Provided by (Used in) Noncapital Financing Activities	(33,849)	(11,092)	44,097	(130,916)	307
Cash Flows from Capital and Related Financing Activities:					
Payments for interest	(53)	(2,868)	(7,757)	-	(17)
Acquisitions of fixed assets	(11,030)	(1,932)	(51,062)	(122)	(2,602)
Proceeds from sale of fixed assets	743	-	7,126	-	112
Proceeds from long-term capital financing	-	-	19,030	-	-
Retirement of long-term bonds payable	-	(2,240)	(30,369)	-	-
Payment of other long-term obligations	(3,329)	-	(280)	-	(34)
Net Cash or Cash Equivalents Provided by (Used in) Capital and Related Financing Activities	(13,669)	(7,040)	(63,312)	(122)	(2,541)
Cash Flows from Investing Activities:					
Receipt of interest	-	592,156	-	925	2
Proceeds from sale of investment securities	-	4,193,589	-	66,808	-
Purchases of investment securities	-	(4,208,043)	-	(27,953)	-
Net Cash Provided by (Used in) Investing Activities	-	577,702	-	39,780	2
Net Increase (Decrease) in Cash and Pooled Investments	(1,421)	(7,960)	(24,825)	7,999	1,898
Cash and Pooled Investments, July 1	6,253	22,759	44,321	11,807	11,266
Cash and Pooled Investments, June 30	\$ 4,832	\$ 14,799	\$ 19,496	\$ 19,806	\$ 13,164
Noncash Investing, Capital, and Financing Activities:					
Acquisition of capital assets with capital leases and COPs	\$ -	\$ -	\$ -	\$ -	\$ -
Capital lease and COP liabilities incurred in acquiring capital assets	-	-	-	-	-
Contributions of noncash assets	-	-	-	-	-
Noncash portion of prior period adjustments	-	-	-	-	-
Amortization of interest on long-term prize liability	-	-	-	38,557	-
Increase (decrease) in fair value of investments	-	39,462	-	88,695	-
Amortization of bond refunding gains (losses)	-	(15)	(7)	-	-

State of Washington

State Ferry	Student Services	Other Activities	Totals for the Year Ended	
			June 30, 2001	June 30, 2000
\$ -	\$ (18,419)	\$ (20,905)	\$ (310,269)	\$ (1,024,867)
-	31,495	1,265	40,392	70,896
-	-	-	(548,199)	(531,997)
-	-	250	3,712	6,110
-	(2,007)	-	(10,517)	(3,357)
2,041	(16,925)	(13,509)	4,156	(63,864)
1,753	21,559	545	47,952	(253,398)
262	(2,132)	(37)	(2,736)	(11,253)
8,067	8,804	10	16,695	(8,456)
-	370	104	535	3,630
-	(170)	(983)	(1,153)	(438)
(2,344)	6,150	1,759	21,676	(1,026)
(705)	5,761	-	5,803	3,343
(7,442)	(2,149)	5,553	(258,647)	263,018
(718)	2,340	(14,616)	(16,297)	35,567
(191)	84	2,021	1,914	240
(21)	(960)	110	(2,300)	5,959
-	-	(2,390)	619,022	1,107,913
(7,041)	(202)	22,965	(25,993)	31,066
(6,339)	33,599	(17,858)	(414,254)	(370,914)
-	-	-	(29,090)	(27,342)
-	-	8,939	98,788	81,905
-	131,094	7,538	394,989	437,779
-	(118,078)	(1,735)	(568,382)	(513,385)
-	-	12,817	12,817	5,956
-	-	(7,673)	(7,673)	(1,027)
-	-	-	-	3,167
298,696	-	-	298,696	-
(1,147,658)	(98)	-	(1,147,756)	(326)
(848,962)	12,918	19,886	(947,611)	(13,273)
-	(16,134)	-	(26,829)	(27,958)
-	(114,349)	(1,833)	(182,930)	(144,278)
851,823	11,913	839	872,556	7,026
-	109,041	-	128,071	226,233
-	(52,606)	-	(85,215)	(21,850)
-	(1,060)	-	(4,703)	(147,366)
851,823	(63,195)	(994)	700,950	(108,193)
-	28,405	3,394	624,882	560,115
312	56,527	15,842	4,333,078	3,927,572
-	(62,553)	(35,206)	(4,333,755)	(4,240,669)
312	22,379	(15,970)	624,205	247,018
(3,166)	5,701	(14,936)	(36,710)	(245,362)
3,166	40,482	107,539	247,593	492,955
\$ -	\$ 46,183	\$ 92,603	\$ 210,883	\$ 247,593
\$ -	\$ -	\$ -	\$ -	\$ 1,420
-	-	-	-	(1,420)
-	-	-	-	71,019
-	-	20,436	20,436	(5,621)
-	-	-	38,557	(38,622)
-	(9,310)	(3,498)	115,349	(116,749)
-	-	-	(22)	-

Schedule of Appropriated Expenses - Budget and Actual

Enterprise Funds

Continued

For the Biennium Ended June 30, 2001 (expressed in thousands)

	Approved Budget 1999-01 Biennium	Actual for 1999-01 Biennium	Variance Favorable (Unfavorable)
Fund/Appropriation			
Liquor Fund			
Liquor Revolving Account			
Salaries and expenses	\$ 125,684	\$ 125,434	\$ 250
Information technology upgrade	2,804	2,785	19
Motel liquor licenses	105	-	105
Business plan	300	300	-
Train new enforcement agents	53	53	-
Contract agency vendor commissions	925	846	79
LCB Construction and Maintenance Account			
Salaries and expenses	8,013	8,013	-
Temporary distribution center	1,985	1,985	-
Distribution center material handling system	2,885	2,844	41
Total Liquor Fund	\$ 142,754	\$ 142,260	\$ 494
Workers' Compensation Fund			
Accident Account			
Salaries and expenses - Board of Industrial Insurance Appeals	\$ 11,543	\$ 11,494	\$ 49
Salaries and expenses (federal) - Labor and Industries	9,112	9,112	-
Salaries and expenses - Labor and Industries	165,979	163,426	2,553
Salaries and expenses - Health	258	257	1
Salaries and expenses - University of Washington	5,325	5,325	-
Debt reimbursement	5,080	5,080	-
Bio-contaminant laboratory	452	452	-
Year 2000 allocation	150	150	-
Medical Aid Account			
Salaries and expenses - Board of Industrial Insurance Appeals	11,548	11,495	53
Salaries and expenses (federal) - Labor and Industries	1,592	1,592	-
Salaries and expenses - Labor and Industries	168,123	167,363	760
Salaries and expenses - Health	45	45	-
Salaries and expenses - University of Washington	5,366	5,366	-
Debt reimbursement	5,080	5,080	-
Bio-contaminant laboratory	452	452	-
Year 2000 allocation	150	150	-
Total Workers' Compensation Fund	\$ 390,255	\$ 386,839	\$ 3,416

Schedule of Appropriated Expenses - Budget and Actual

Enterprise Funds

Concluded

For the Biennium Ended June 30, 2001 (expressed in thousands)

	Approved Budget 1999-01 Biennium	Actual for 1999-01 Biennium	Variance Favorable (Unfavorable)
Fund/Appropriation			
Convention and Trade Fund			
State Convention and Trade Center Account			
GO debt reimbursement	\$ 32,724	\$ 32,724	\$ -
Seattle convention center expansion	5,750	5,750	-
Seattle convention center replacement housing	5,000	2,255	2,745
Salaries and expenses	2,471	2,376	95
State Convention and Trade Center Operations Account			
Salaries and expenses	29,842	27,920	1,922
Total Convention and Trade Fund	\$ 75,787	\$ 71,025	\$ 4,762
Lottery Fund			
Lottery Administrative Account			
Salaries and expenses	\$ 21,127	\$ 20,436	\$ 691
Total Lottery Fund	\$ 21,127	\$ 20,436	\$ 691
State Ferry Fund			
Marine Operating Account			
Ferry operations and maintenance	\$ 126,175	\$ 126,149	\$ 26
Vessel operating fuel	14,010	14,010	-
Total State Ferry Fund	\$ 140,185	\$ 140,159	\$ 26
Other Activities Fund			
Judicial Information Systems Account			
Salaries and expenses	\$ 19,016	\$ 18,831	\$ 185
Advanced College Tuition Payment Program Account			
Salaries and expenses	3,408	2,345	1,063
Pollution Liability Insurance Program Trust Account			
Salaries and expenses - Pollution Liability Insurance Agency	947	908	39
Total Other Activities Fund	\$ 23,371	\$ 22,084	\$ 1,287

